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59



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1231/8

JK:kjfrs

4  
PmnotR

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

in 1-23-05

Do NOT Gen  
cat

1 AN ACT/...; relating to: the budget.

---

*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill creates the County Levy Restraint Program which provides annual state aid payments, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 20.835 (1) (cf) of the statutes is created to read:

2           20.835 (1) (cf) *County levy restraint payment account.* Beginning in 2007, a  
3 sum sufficient to make the payments to counties under s. 79.052 (4) (a).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 2.** 20.835 (1) (cg) of the statutes is created to read:

5           20.835 (1) (cg) *County levy restraint bonus payment account.* Beginning in  
6 2007, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

7           **SECTION 3.** 79.01 (5) of the statutes is created to read:

8           79.01 (5) There is established an account in the general fund entitled the  
9 “County Levy Restraint Payment Account.” There shall be appropriated to that  
10 account ~~\$9,000,000~~ in 2007 and in each year thereafter. *\$30,000,000*

11          **SECTION 4.** 79.01 (6) of the statutes is created to read:

12          79.01 (6) There is established an account in the general fund entitled the  
13 “County Levy Restraint Bonus Payment Account.” There shall be appropriated to  
14 that account ~~\$5,000,000~~ in 2007 and in each year thereafter. *\$10,000,000*

15          **SECTION 5.** 79.015 of the statutes is amended to read:

16          **79.015 Statement of estimated payments.** The department of revenue, on  
17 or before September 15 of each year, shall provide to each municipality and county  
18 a statement of estimated payments to be made in the next calendar year to the  
19 municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.052, 79.058, and  
20 79.06.

21          **SECTION 6.** 79.02 (2) (b) of the statutes is amended to read:

plain  
1 79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall  
2 equal ~~15%~~ 15 percent of the municipality's or county's estimated payments under ss.  
3 79.03, 79.035, 79.04, 79.058, and 79.06 and ~~100%~~ 100 percent of the municipality's  
4 or county's estimated payments under ~~s. ss.~~ ss. 79.05 and 79.052.

5 SECTION 7. 79.052 of the statutes is created to read:

6 **79.052 County levy restraint program.** (1) DEFINITIONS. In this section:

7 (a) "County tax levy" means the sum for all municipalities in the county of the  
8 amounts reported as total county taxes levied on the statement of taxes filed with the  
9 department of revenue under s. 73.10, not including any taxes levied under s.  
10 115.817 (9).

11 (b) "County tax rate" means the county tax levy divided by the equalized  
12 assessed value of all property located in the county, as determined under s. 70.57,  
13 excluding the value of any tax increments under s. 66.1105.

14 (c) "Inflation factor" means a percentage equal to the average annual  
15 percentage change in the U.S. consumer price index for all urban consumers, U.S.  
16 city average, as determined by the U.S. department of labor, for the 12 months  
17 ending on September 30 of the year before the statement under s. 79.015.

18 (d) "Maximum allowable levy" means the county tax levy for the year before the  
19 statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one  
20 plus the inflation factor and the valuation factor, rounded to the nearest 0.01 percent.

21 (e) "Valuation factor" means a percentage equal to 60 percent of the percentage  
22 change in the county's equalized value under s. 70.57 due to new construction less  
23 improvements removed between the year before the statement under s. 79.015 and  
24 the previous year, but not less than zero nor greater than 2.

(2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the county's county tax levy for the year of the statement under s. 79.015 is no greater than the county's maximum allowable levy.

(3) CONSUMER PRICE INDEX. Annually, on November 1, the department of revenue shall certify to the joint committee on finance the appropriate percentage change in the consumer price index that is to be used to determine the inflation factor.

(4) PAYMENTS. (a) Beginning in 2007, each county that is eligible under sub. (2) shall receive a payment calculated by the department of revenue as follows:

1. Determine the county tax levy for the county.

2. Divide the amount determined under subd. 1. by the total of the amounts under subd. 1. for all counties that are eligible for a payment under sub. (2).

3. Multiply the amount determined under subd. 2. by ~~\$9,000,000~~ <sup>\$30,000,000</sup>.

*Beginning in 2007*  
(b) Each county that is eligible under sub. (2) shall receive an additional payment calculated by the department of revenue as follows:

1. Subtract the county tax levy, as determined under par. (a) 1., from the county's maximum allowable levy.

2. Divide the amount determined under subd. 1. by the total of the amounts under subd. 1. for all counties that are eligible for a payment under sub. (2).

3. Multiply the amount determined under subd. 2. by ~~\$5,000,000~~ <sup>\$10,000,000</sup>.

(5) ADJUSTMENTS. For purposes of determining eligibility for and the amount of the payments under this section:

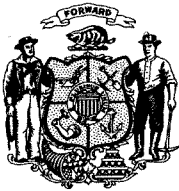
(a) If a county transfers to another governmental unit responsibility for providing any service that the county provided in the preceding year, its county tax

levy for the preceding year shall be decreased to reflect the amount that the county levied to provide that service, as determined by the department of revenue.

(b) If a county increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit in any year, its county tax levy for the preceding year shall be increased to reflect the cost of that service, as determined by the department of revenue.

(c) If in any year a county's distribution under s. 79.043 (5) is less than the county's distribution under s. 79.043 (5) in the previous year, the county's maximum allowable levy shall be increased to reflect the reduction in the distribution.

**(END)**



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1231/4

JK:kjf

Today

RM not R

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

in 1-25-05  
D-N

Don't Gen

1 AN ACT ...; relating to: the budget.

---

*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill creates the County Levy Restraint Program which provides annual state aid payments, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 20.835 (1) (cf) of the statutes is created to read:

2           20.835 (1) (cf) *County levy restraint payment account.* Beginning in 2007, a  
3           sum sufficient to make the payments to counties under s. 79.052 (4) (a).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 2.** 20.835 (1) (cg) of the statutes is created to read:

5           20.835 (1) (cg) *County levy restraint bonus payment account.* Beginning in  
6           2007, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

7           **SECTION 3.** 79.01 (5) of the statutes is created to read:

8           79.01 (5) There is established an account in the general fund entitled the  
9           “County Levy Restraint Payment Account.” There shall be appropriated to that  
10          account \$30,000,000 in 2007 and in each year thereafter.

11          **SECTION 4.** 79.01 (6) of the statutes is created to read:

12          79.01 (6) There is established an account in the general fund entitled the  
13          “County Levy Restraint Bonus Payment Account.” There shall be appropriated to  
14          that account \$10,000,000 in 2007 and in each year thereafter.

15          **SECTION 5.** 79.015 of the statutes is amended to read:

16          **79.015 Statement of estimated payments.** The department of revenue, on  
17          or before September 15 of each year, shall provide to each municipality and county  
18          a statement of estimated payments to be made in the next calendar year to the  
19          municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.052, 79.058, and  
20          79.06.

21          **SECTION 6.** 79.02 (2) (b) of the statutes is amended to read:

      \* + + + NOTE: This <sup>is</sup> reconciled ~~section~~ <sup>s.</sup> 79.015. This section has been affected  
by LRB-1231/4 and LRB-1229/3, 79.051, affected

+++ NOTE: This is reconciled <sup>is</sup> s. 79.02 (2)(b) 79.015. This section has been affected by LRB-1231/4 and LRB-1229/3.

79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall equal 15% of the municipality's or county's estimated payments under ss. 79.03, 79.035, 79.04, 79.058, and 79.06 and 100% of the municipality's or county's estimated payments under s. ss. 79.05 and 79.052. 79.051

SECTION 7. 79.052 of the statutes is created to read:

**79.052 County levy restraint program.** (1) DEFINITIONS. In this section:

(a) "County tax levy" means the sum for all municipalities in the county of the amounts reported as total county taxes levied on the statement of taxes filed with the department of revenue under s. 73.10, not including any taxes levied under s. 115.817 (9).

(b) "County tax rate" means the county tax levy divided by the equalized assessed value of all property located in the county, as determined under s. 70.57, excluding the value of any tax increments under s. 66.1105.

(c) "Inflation factor" means a percentage equal to the average annual percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the 12 months ending on September 30 of the year before the statement under s. 79.015.

(d) "Maximum allowable levy" means the county tax levy for the year before the statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one plus the inflation factor and the valuation factor, rounded to the nearest 0.01 percent.

(e) "Valuation factor" means a percentage equal to 60 percent of the percentage change in the county's equalized value under s. 70.57 due to new construction less improvements removed between the year before the statement under s. 79.015 and the previous year, but not less than zero nor greater than 2.



1           (2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the  
2           county's county tax levy for the year of the statement under s. 79.015 is no greater  
3           than the county's maximum allowable levy.

4           (3) CONSUMER PRICE INDEX. Annually, on November 1, the department of  
5           revenue shall certify to the joint committee on finance the appropriate percentage  
6           change in the consumer price index that is to be used to determine the inflation  
7           factor.

8           (4) PAYMENTS. (a) Beginning in 2007, each county that is eligible under sub.  
9           (2) shall receive a payment calculated by the department of revenue as follows:

10           1. Determine the county tax levy for the county.

11           2. Divide the amount determined under subd. 1. by the total of the amounts  
12           under subd. 1. for all counties that are eligible for a payment under sub. (2).

13           3. Multiply the amount determined under subd. 2. by \$30,000,000.

14           (b) Beginning in 2007, each county that is eligible under sub. (2) shall receive  
15           an additional payment calculated by the department of revenue as follows:

16           1. Subtract the county tax levy, as determined under par. (a) 1., from the  
17           county's maximum allowable levy.

18           2. Divide the amount determined under subd. 1. by the total of the amounts  
19           under subd. 1. for all counties that are eligible for a payment under sub. (2).

20           3. Multiply the amount determined under subd. 2. by \$10,000,000.

21           (5) ADJUSTMENTS. For purposes of determining eligibility for and the amount  
22           of the payments under this section:

23           (a) If a county transfers to another governmental unit responsibility for  
24           providing any service that the county provided in the preceding year, its county tax

levy for the preceding year shall be decreased to reflect the amount that the county levied to provide that service, as determined by the department of revenue.

(b) If a county increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit in any year, its county tax levy for the preceding year shall be increased to reflect the cost of that service, as determined by the department of revenue.

(c) If in any year a county's distribution under s. 79.043 (5) is less than the county's distribution under s. 79.043 (5) in the previous year, the county's maximum allowable levy shall be increased to reflect the reduction in the distribution.

(END)

# D-Note

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-1231/4dn

JK:kjf:4h ✓

*Date*

This draft reconciles LRB-1231/4 ✓ and LRB-1229/3 ✓. Both of these drafts should continue to appear in the compiled bill.

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.state.wi.us

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-1231/5dn  
JK:kjf:rs

January 26, 2005

This draft reconciles LRB-1231/4 and LRB-1229/3. Both of these drafts should continue to appear in the compiled bill.

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.state.wi.us

## Kreye, Joseph

---

**From:** Ziegler, Paul  
**Sent:** Wednesday, January 26, 2005 1:50 PM  
**To:** Kreye, Joseph  
**Subject:** Muni & county restraint incentive & bonus programs

Joe -- Please make the following changes to the muni & county restraint and bonus program drafts:

For both municipalities and counties, set the maximum increase at 85% of the sum of inflation and the valuation factor.

Using LRB1231/5 as an example, this can be done by making the following changes:

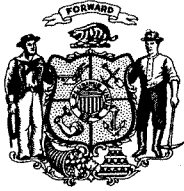
To line 20 on page 3, add "85% of" before "the inflation factor" and add "85% of" before "the valuation factor".  
The same change should be made to the muni draft -- 1229.

Also, set the 4 account amounts as follows:

- For the muni restraint account -- at the current law ERP amount (as is currently in the draft)
- For the muni bonus account -- at \$10 million (as currently in the draft -- but please check)
- For the county restraint account -- at \$25 million.
- For the county bonus account -- at \$10 million.

Thank you!

Paul



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1231/5

JK:kjf:re

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

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      \*\*\*\*NOTE: This is reconciled s. 79.015. This SECTION has been affected by  
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9 factor.

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(c) If in any year a county's distribution under s. 79.043 (5) is less than the county's distribution under s. 79.043 (5) in the previous year, the county's maximum allowable levy shall be increased to reflect the reduction in the distribution.

**(END)**

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-1231/5<sup>6</sup>dn  
JK:kjf:7s

January 26, 2005

✓                      ✓  
This draft reconciles LRB-1231/4 and LRB-1229/3. Both of these drafts should  
continue to appear in the compiled bill.

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.state.wi.us

**DRAFTER'S NOTE**  
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Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.state.wi.us

## Kreye, Joseph

---

**From:** Ziegler, Paul  
**Sent:** Thursday, January 27, 2005 6:28 PM  
**To:** Shovers, Marc; Kreye, Joseph  
**Cc:** Brennan, Audra D  
**Subject:** FW: Comments on LRB-1863/2 (Levy Limits)

Marc and Joe -- The comment below applies to both the levy limit draft and the muni and county restraint incentive and bonus drafts. The intent in moving the definition of inflation to 12 months ending June30 is to give localities more time to construct their budgets within known limitations/restraints. Audra's email below is a connecting the dots issue that follows from the inflation period shift.

-----Original Message-----

**From:** Brennan, Audra D  
**Sent:** Thursday, January 27, 2005 6:22 PM  
**To:** Huegel, Daniel P; Ziegler, Paul  
**Cc:** Helgerson, Jason  
**Subject:** RE: Comments on LRB-1863/2 (Levy Limits)

Paul - I may have overlooked this in Dan's comments, but wanted to make sure that we also made any necessary changes to the date that DOR is required to inform JFC of the CPI that will be used for the ERP payment. Currently the deadline is Nov. 1 and it should be changed to August 1 or August 15 at the latest.

Dan - do you concur?

---

**From:** Huegel, Daniel P  
**Sent:** Thursday, January 27, 2005 3:43 PM  
**To:** Ziegler, Paul  
**Cc:** Helgerson, Jason; Brennan, Audra D  
**Subject:** Comments on LRB-1863/2 (Levy Limits)

Yipee. Skip. Rah.

<< File: ziegler-lrb1863-2.doc >>

Dan

## Kreye, Joseph

---

**From:** Ziegler, Paul  
**Sent:** Thursday, January 27, 2005 3:50 PM  
**To:** Shovers, Marc; Kreye, Joseph  
**Subject:** FW: Comments on LRB-1863/2 (Levy Limits)

Marc -- please make the changes in the attachment below to the levy limit draft.

Joe -- As noted at the bottom of the 1st page of the attachment, please modify in both the municipal and county restraint and bonus drafts the definition of inflation to be inflation for the 12 months ending June 30.

-----Original Message-----

**From:** Huegel, Daniel P  
**Sent:** Thursday, January 27, 2005 3:43 PM  
**To:** Ziegler, Paul  
**Cc:** Helgersen, Jason; Brennan, Audra D  
**Subject:** Comments on LRB-1863/2 (Levy Limits)

Yipee. Skip. Rah.



ziegler-lrb1863-2.d  
oc

Dan

**NOTE \*\* For Discussion Purpose Only \*\***

27 January 2005

To: Paul Ziegler

From: Daniel Huegel

Subject: Comments on LRB-1863/2 Concerning Levy Limits for Cities, Villages, Towns, and Counties

The proposal looks great! I do, however, have a few comments:

Item #1

On Page 7, Lines 4 and 5 – there is no provision for DOR to be notified of levy increases that are approved by at least 75% of the members-elect of the governing body. DOR will need to get such information to perform its duties under the proposal.

Item #2:

Debt-service levies are not separately reported to DOR. In order to perform its duties, DOR should be given the power to enact rules to require that debt service levies be separated from non-debt levies.

Item #3:

On Page 3, Lines 4 to 7: The material beginning on Line 4 with the words "In determining" should be deleted. It would require that the growth factor be calculated on TIF-out values. We would prefer that the municipal growth factor be calculated on TIF-in values. If the factor is calculated on TIF-out values, growth in TIF districts will never be included in the allowable levy growth for municipalities.

Item #4:

Under current law, the inflation factor for the expenditure restraint payment is based on the 12 months ending on September 30. In order to give government officials additional time to plan their spending and levies, the inflation factor dates should be changes to apply as follows:

“Inflation factor” means a percentage equal to the average annual percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the 12 months ending on the June 30 [of the year in which property tax bills are issued]

(Paul – I am not sure how to state the material in brackets. The idea is that average inflation for the 12 months ending, say, in June 2005 is the rate that is applied to the taxes levied in December 2005 for collection in 2006.)

*NOTE: This change should also be applied to the inflation factor used for purposes of the county and municipal levy restraint payments – even if the levy limit proposal is not adopted.*

Item #5:

As written, "debt service" could be interpreted as including short-term debt such as tax anticipation notes and bonds that are not repayable from tax levies (such as revenue bonds). To avoid this, the term "debt service" should be amended by adding some statement to the effect:

"Debt service" excludes interest and principal payments on debt issued for a term of less than one year and on debt that is payable in whole or part from user fees, special assessments, or any other non-property-tax revenue source.

Since "debt service" is defined up front in the proposed section, the material on Page 5, Lines 12 to 18, could be simplified to read:

(d) The limit otherwise applicable under this section does not apply to amounts levied by a political subdivision for the payment of debt service, as defined under sub. (1) (b).





State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1231/6

JK:kjf

PM not R

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

Don't Gen in 1-22-05

1 AN ACT ...; relating to: the budget.

---

*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill creates the County Levy Restraint Program which provides annual state aid payments, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

---

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1       **SECTION 1.** 20.835 (1) (cf) of the statutes is created to read:

2       20.835 (1) (cf) *County levy restraint payment account.* Beginning in 2007, a  
3       sum sufficient to make the payments to counties under s. 79.052 (4) (a).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

4       **SECTION 2.** 20.835 (1) (cg) of the statutes is created to read:

5       20.835 (1) (cg) *County levy restraint bonus payment account.* Beginning in  
6       2007, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

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reflected in the revised schedule in s. 20.005, stats.

7       **SECTION 3.** 79.01 (5) of the statutes is created to read:

8       79.01 (5) There is established an account in the general fund entitled the  
9       “County Levy Restraint Payment Account.” There shall be appropriated to that  
10      account \$25,000,000 in 2007 and in each year thereafter.

11      **SECTION 4.** 79.01 (6) of the statutes is created to read:

12      79.01 (6) There is established an account in the general fund entitled the  
13      “County Levy Restraint Bonus Payment Account.” There shall be appropriated to  
14      that account \$10,000,000 in 2007 and in each year thereafter.

15      **SECTION 5.** 79.015 of the statutes is amended to read:

16      **79.015 Statement of estimated payments.** The department of revenue, on  
17      or before September 15 of each year, shall provide to each municipality and county  
18      a statement of estimated payments to be made in the next calendar year to the  
19      municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.051, 79.052, 79.058,  
20      and 79.06.

      \*\*\*\*NOTE: This is reconciled s. 79.015. This SECTION has been affected by  
LRB-1231/4 and LRB-1229/3.

21      **SECTION 6.** 79.02 (2) (b) of the statutes is amended to read:

1           79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall  
2       equal 15% of the municipality's or county's estimated payments under ss. 79.03,  
3       79.035, 79.04, 79.058, and 79.06 and 100% of the municipality's or county's estimated  
4       payments under s. ss. 79.05, 79.051, and 79.052.

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LRB-1231/4 and LRB-1229/3.

5           **SECTION 7.** 79.052 of the statutes is created to read:

6           **79.052 County levy restraint program. (1) DEFINITIONS.** In this section:

7           (a) "County tax levy" means the sum for all municipalities in the county of the  
8       amounts reported as total county taxes levied on the statement of taxes filed with the  
9       department of revenue under s. 73.10, not including any taxes levied under s.  
10      115.817 (9).

11          (b) "County tax rate" means the county tax levy divided by the equalized  
12      assessed value of all property located in the county, as determined under s. 70.57,  
13      excluding the value of any tax increments under s. 66.1105.

14          (c) "Inflation factor" means a percentage equal to the average annual  
15      percentage change in the U.S. consumer price index for all urban consumers, U.S.  
16      city average, as determined by the U.S. department of labor, for the 12 months  
17      ending on ~~September~~ <sup>June</sup> 30 of the year before the statement under s. 79.015.

18          (d) "Maximum allowable levy" means the county tax levy for the year before the  
19      statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one  
20      plus 85 percent of the inflation factor and 85 percent of the valuation factor, rounded  
21      to the nearest 0.01 percent.

22          (e) "Valuation factor" means a percentage equal to 60 percent of the percentage  
23      change in the county's equalized value under s. 70.57 due to new construction less

1 improvements removed between the year before the statement under s. 79.015 and  
2 the previous year, but not less than zero nor greater than 2.

3 (2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the  
4 county's county tax levy for the year of the statement under s. 79.015 is no greater  
5 than the county's maximum allowable levy.

6 (3) CONSUMER PRICE INDEX. Annually, on November 1, the department of  
7 revenue shall certify to the joint committee on finance the appropriate percentage  
8 change in the consumer price index that is to be used to determine the inflation  
9 factor.

10 (4) PAYMENTS. (a) Beginning in 2007, each county that is eligible under sub.  
11 (2) shall receive a payment calculated by the department of revenue as follows:

12 1. Determine the county tax levy for the county.

13 2. Divide the amount determined under subd. 1. by the total of the amounts  
14 under subd. 1. for all counties that are eligible for a payment under sub. (2).

15 3. Multiply the amount determined under subd. 2. by \$25,000,000.

16 (b) Beginning in 2007, each county that is eligible under sub. (2) shall receive  
17 an additional payment calculated by the department of revenue as follows:

18 1. Subtract the county tax levy, as determined under par. (a) 1., from the  
19 county's maximum allowable levy.

20 2. Divide the amount determined under subd. 1. by the total of the amounts  
21 under subd. 1. for all counties that are eligible for a payment under sub. (2).

22 3. Multiply the amount determined under subd. 2. by \$10,000,000.

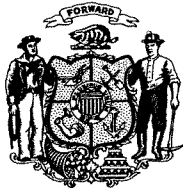
23 (5) ADJUSTMENTS. For purposes of determining eligibility for and the amount  
24 of the payments under this section:

(a) If a county transfers to another governmental unit responsibility for providing any service that the county provided in the preceding year, its county tax levy for the preceding year shall be decreased to reflect the amount that the county levied to provide that service, as determined by the department of revenue.

(b) If a county increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit in any year, its county tax levy for the preceding year shall be increased to reflect the cost of that service, as determined by the department of revenue.

(c) If in any year a county's distribution under s. 79.043 (5) is less than the county's distribution under s. 79.043 (5) in the previous year, the county's maximum allowable levy shall be increased to reflect the reduction in the distribution.

**(END)**



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1231/7

JK:kjf:8

per not R

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

in 1-31-05

Don't Gen

1 AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill creates the County Levy Restraint Program which provides annual state aid payments, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

---

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1           **SECTION 1.** 20.835 (1) (cf) of the statutes is created to read:

2           20.835 (1) (cf) *County levy restraint payment account.* Beginning in 2007, a  
3           sum sufficient to make the payments to counties under s. 79.052 (4) (a).

          \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
          reflected in the revised schedule in s. 20.005, stats.

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5           20.835 (1) (cg) *County levy restraint bonus payment account.* Beginning in  
6           2007, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

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10          account \$25,000,000 in 2007 and in each year thereafter.

11          **SECTION 4.** 79.01 (6) of the statutes is created to read:

12          79.01 (6) There is established an account in the general fund entitled the  
13          “County Levy Restraint Bonus Payment Account.” There shall be appropriated to  
14          that account \$10,000,000 in 2007 and in each year thereafter.

15          **SECTION 5.** 79.015 of the statutes is amended to read:

16          **79.015 Statement of estimated payments.** The department of revenue, on  
17          or before September 15 of each year, shall provide to each municipality and county  
18          a statement of estimated payments to be made in the next calendar year to the  
19          municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.051, 79.052, 79.058,  
20          and 79.06.

          \*\*\*\*NOTE: This is reconciled s. 79.015. This SECTION has been affected by  
          LRB-1231/4 and LRB-1229/3.

21          **SECTION 6.** 79.02 (2) (b) of the statutes is amended to read:

1           79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall  
2       equal 15% of the municipality's or county's estimated payments under ss. 79.03,  
3       79.035, 79.04, 79.058, and 79.06 and 100% of the municipality's or county's estimated  
4       payments under ~~s. ss.~~ 79.05, 79.051, and 79.052.

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5           **SECTION 7.** 79.052 of the statutes is created to read:

6           **79.052 County levy restraint program. (1) DEFINITIONS.** In this section:

7           (a) "County tax levy" means the sum for all municipalities in the county of the  
8       amounts reported as total county taxes levied on the statement of taxes filed with the  
9       department of revenue under s. 73.10, not including any taxes levied under s.  
10      115.817 (9).

11          (b) "County tax rate" means the county tax levy divided by the equalized  
12      assessed value of all property located in the county, as determined under s. 70.57,  
13      excluding the value of any tax increments under s. 66.1105.

14          (c) "Inflation factor" means a percentage equal to the average annual  
15      percentage change in the U.S. consumer price index for all urban consumers, U.S.  
16      city average, as determined by the U.S. department of labor, for the 12 months  
17      ending on June 30 of the year before the statement under s. 79.015.

18          (d) "Maximum allowable levy" means the county tax levy for the year before the  
19      statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one  
20      plus 85 percent of the inflation factor and 85 percent of the valuation factor, rounded  
21      to the nearest 0.01 percent.

22          (e) "Valuation factor" means a percentage equal to 60 percent of the percentage  
23      change in the county's equalized value under s. 70.57 due to new construction less

INSERT  
3-13



1 improvements removed between the year before the statement under s. 79.015 and  
2 the previous year, but not less than zero nor greater than 2.

3 (2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the  
4 county's county tax levy for the year of the statement under s. 79.015 is no greater  
5 than the county's maximum allowable levy.

6 (3) CONSUMER PRICE INDEX. Annually, on ~~November~~ <sup>August</sup> 1, the department of  
7 revenue shall certify to the joint committee on finance the appropriate percentage  
8 change in the consumer price index that is to be used to determine the inflation  
9 factor.

10 (4) PAYMENTS. (a) Beginning in 2007, each county that is eligible under sub.  
11 (2) shall receive a payment calculated by the department of revenue as follows:

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13 2. Divide the amount determined under subd. 1. by the total of the amounts  
14 under subd. 1. for all counties that are eligible for a payment under sub. (2).

15 3. Multiply the amount determined under subd. 2. by \$25,000,000.

16 (b) Beginning in 2007, each county that is eligible under sub. (2) shall receive  
17 an additional payment calculated by the department of revenue as follows:

18 1. Subtract the county tax levy, as determined under par. (a) 1., from the  
19 county's maximum allowable levy.

20 2. Divide the amount determined under subd. 1. by the total of the amounts  
21 under subd. 1. for all counties that are eligible for a payment under sub. (2).

22 3. Multiply the amount determined under subd. 2. by \$10,000,000.

23 (5) ADJUSTMENTS. For purposes of determining eligibility for and the amount  
24 of the payments under this section:

1 (a) If a county transfers to another governmental unit responsibility for  
2 providing any service that the county provided in the preceding year, its county tax  
3 levy for the preceding year shall be decreased to reflect the amount that the county  
4 levied to provide that service, as determined by the department of revenue.

5 (b) If a county increases the services that it provides by adding responsibility  
6 for providing a service transferred to it from another governmental unit in any year,  
7 its county tax levy for the preceding year shall be increased to reflect the cost of that  
8 service, as determined by the department of revenue.

9 (c) If in any year a county's distribution under s. 79.043 (5) is less than the  
10 county's distribution under s. 79.043 (5) in the previous year, the county's maximum  
11 allowable levy shall be increased to reflect the reduction in the distribution.

12 (END)

INSERT  
5-11

with a population of less than 2,000 may exceed the levy limit if a resolution to do so is approved by an annual or special town meeting. The levy limits do not apply to a property tax levy that is imposed after December 2006.

Under the bill, a political subdivision's levy limit does not generally apply to any amounts levied to pay debt service on debt authorized by a political subdivision, including general obligation debt service, refunding debt, and interest on outstanding obligations.

Also under this bill, the limit otherwise applicable does not apply to the amount that a first class city (presently only Milwaukee) levies for school purposes. Currently, a first class city school district is not authorized to levy a tax; the city in which the school district is located levies a tax for school purposes at the direction of the school board.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

---

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1       SECTION 1. 66.0602 of the statutes is created to read:

2       **66.0602 Local levy limits. (1) DEFINITIONS.** In this section:

3       (a) "County growth factor" means a percentage equal to 60 percent of the  
4       percentage change in the county's January 1 equalized value due to new construction  
5       less improvements removed between the year before the previous year and the  
6       previous year, but not less than zero.

7       (1b) "Debt service" includes debt service on debt issued or reissued to fund or  
8       refund outstanding ~~municipal or~~ county obligations, interest on outstanding  
9       ~~municipal or~~ county obligations, and related issuance costs and redemption  
10      premiums.

11      (c) "Inflation factor" means a percentage equal to the average annual  
12      percentage change in the U.S. consumer price index for all urban consumers, U.S.  
13      city average, as determined by the U.S. department of labor, for the 12 months

1 applicable under this section to the political subdivision in the current year is  
2 increased to reflect the cost of that service, as determined by the department of  
3 revenue.

4 (c) If a city or village annexes territory from a town, the city's or village's levy  
5 increase limit otherwise applicable under this section is increased in the current year  
6 by an amount equal to the city's or village's mill rate applied to the current assessed  
7 value of the annexed territory, and the levy increase limit otherwise applicable under  
8 this section in the current year for the town from which the territory is annexed is  
9 decreased by the town's mill rate applied to the assessed value of the annexed  
10 territory as of the last year that the territory was subject to taxation by the town, as  
11 determined by the department of revenue.

12 (d) The limit otherwise applicable under this section does not apply to amounts  
13 levied by a ~~political subdivision~~ <sup>county</sup> for the payment of any general obligation debt  
14 service, including debt service on debt issued or reissued to fund or refund  
15 outstanding obligations of the ~~political subdivision~~ <sup>county</sup>, interest on outstanding  
16 obligations of the ~~political subdivision~~ <sup>county</sup>, or the payment of related issuance costs or  
17 redemption premiums, secured by the full faith and credit of the ~~political~~  
18 ~~subdivision~~.

19 (e) The limit otherwise applicable under this section does not apply to the  
20 amount that a county levies in that year for a county children with disabilities  
21 education board.

22 (f) The limit otherwise applicable under this section does not apply to the  
23 amount that a 1st class city levies for school purposes.

24 (g) If in any year a political subdivision's distribution under s. 79.043 (5) is less  
25 than the political subdivision's distribution under s. 79.043 (5) in the previous year,



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1231/8

JK:kjf:as

PM not R

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

in 2-1-05

Don't Gen

1 AN ACT ...; relating to: the budget.

---

*Analysis by the Legislative Reference Bureau*

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Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill creates the County Levy Restraint Program which provides annual state aid payments, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

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      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
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2       equal 15% of the municipality's or county's estimated payments under ss. 79.03,  
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13      excluding the value of any tax increments under s. 66.1105.

14          (bm) "Debt service" includes debt service on debt issued or reissued to fund or  
15      refund outstanding county obligations, interest on outstanding county obligations,  
16      and related issuance costs and redemption premiums.

17          (c) "Inflation factor" means a percentage equal to the average annual  
18      percentage change in the U.S. consumer price index for all urban consumers, U.S.  
19      city average, as determined by the U.S. department of labor, for the 12 months  
20      ending on June 30 of the year before the statement under s. 79.015.

21          (d) "Maximum allowable levy" means the county tax levy for the year before the  
22      statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one

1 plus 85 percent of the inflation factor and 85 percent of the valuation factor, rounded  
2 to the nearest 0.01 percent.

3 (e) "Valuation factor" means a percentage equal to 60 percent of the percentage  
4 change in the county's equalized value under s. 70.57 due to new construction less  
5 improvements removed between the year before the statement under s. 79.015 and  
6 the previous year, but not less than zero nor greater than 2.

7 (2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the  
8 county's county tax levy for the year of the statement under s. 79.015 is no greater  
9 than the county's maximum allowable levy.

10 (3) CONSUMER PRICE INDEX. Annually, on August 1, the department of revenue  
11 shall certify to the joint committee on finance the appropriate percentage change in  
12 the consumer price index that is to be used to determine the inflation factor.

13 (4) PAYMENTS. (a) Beginning in 2007, each county that is eligible under sub.  
14 (2) shall receive a payment calculated by the department of revenue as follows:

- 15 1. Determine the county tax levy for the county.
- 16 2. Divide the amount determined under subd. 1. by the total of the amounts  
17 under subd. 1. for all counties that are eligible for a payment under sub. (2).
- 18 3. Multiply the amount determined under subd. 2. by \$25,000,000.

19 (b) Beginning in 2007, each county that is eligible under sub. (2) shall receive  
20 an additional payment calculated by the department of revenue as follows:

- 21 1. Subtract the county tax levy, as determined under par. (a) 1., from the  
22 county's maximum allowable levy.
- 23 2. Divide the amount determined under subd. 1. by the total of the amounts  
24 under subd. 1. for all counties that are eligible for a payment under sub. (2).
- 25 3. Multiply the amount determined under subd. 2. by \$10,000,000.



(5) ADJUSTMENTS. For purposes of determining eligibility for and the amount of the payments under this section:

(a) If a county transfers to another governmental unit responsibility for providing any service that the county provided in the preceding year, its county tax levy for the preceding year shall be decreased to reflect the amount that the county levied to provide that service, as determined by the department of revenue.

(b) If a county increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit in any year, its county tax levy for the preceding year shall be increased to reflect the cost of that service, as determined by the department of revenue.

(c) If in any year a county's distribution under s. 79.043 (5) is less than the county's distribution under s. 79.043 (5) in the previous year, the county's maximum allowable levy shall be increased to reflect the reduction in the distribution.

(d) The ~~limit~~ otherwise applicable under this section does not apply to amounts levied by a county for the payment of any general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the county, interest on outstanding obligations of the county, or the payment of related issuance costs or redemption premiums, secured by the full faith and credit of the county.

**(END)**

maximum allowable levy



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1231/9

JK:kjf:pg

DOA:.....Ziegler, BB0306 - County levy restraint incentive and bonus program

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

Under current law, the Expenditure Restraint Program provides an annual state aid payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality and on the rate of inflation.

This bill creates the County Levy Restraint Program which provides annual state aid payments, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on 60 percent of the percentage change in the equalized assessed value of new construction located in the county and on the rate of inflation.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1       **SECTION 1.** 20.835 (1) (cf) of the statutes is created to read:

2       20.835 (1) (cf) *County levy restraint payment account.* Beginning in 2007, a  
3       sum sufficient to make the payments to counties under s. 79.052 (4) (a).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

4       **SECTION 2.** 20.835 (1) (cg) of the statutes is created to read:

5       20.835 (1) (cg) *County levy restraint bonus payment account.* Beginning in  
6       2007, a sum sufficient to make the payments to counties under s. 79.052 (4) (b).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

7       **SECTION 3.** 79.01 (5) of the statutes is created to read:

8       79.01 (5) There is established an account in the general fund entitled the  
9       “County Levy Restraint Payment Account.” There shall be appropriated to that  
10      account \$25,000,000 in 2007 and in each year thereafter.

11      **SECTION 4.** 79.01 (6) of the statutes is created to read:

12      79.01 (6) There is established an account in the general fund entitled the  
13      “County Levy Restraint Bonus Payment Account.” There shall be appropriated to  
14      that account \$10,000,000 in 2007 and in each year thereafter.

15      **SECTION 5.** 79.015 of the statutes is amended to read:

16      **79.015 Statement of estimated payments.** The department of revenue, on  
17      or before September 15 of each year, shall provide to each municipality and county  
18      a statement of estimated payments to be made in the next calendar year to the  
19      municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.051, 79.052, 79.058,  
20      and 79.06.

      \*\*\*\*NOTE: This is reconciled s. 79.015. This SECTION has been affected by  
LRB-1231/4 and LRB-1229/3.

21      **SECTION 6.** 79.02 (2) (b) of the statutes is amended to read:

1           79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall  
2           equal 15% of the municipality's or county's estimated payments under ss. 79.03,  
3           79.035, 79.04, 79.058, and 79.06 and 100% of the municipality's or county's estimated  
4           payments under s. ss. 79.05, 79.051, and 79.052.

      \*\*\*NOTE: This is reconciled s. 79.02 (2) (b). This SECTION has been affected by  
LRB-1231/4 and LRB-1229/3.

5           **SECTION 7.** 79.052 of the statutes is created to read:

6           **79.052 County levy restraint program. (1) DEFINITIONS.** In this section:

7           (a) "County tax levy" means the sum for all municipalities in the county of the  
8           amounts reported as total county taxes levied on the statement of taxes filed with the  
9           department of revenue under s. 73.10, not including any taxes levied under s.  
10          115.817 (9).

11          (b) "County tax rate" means the county tax levy divided by the equalized  
12          assessed value of all property located in the county, as determined under s. 70.57,  
13          excluding the value of any tax increments under s. 66.1105.

14          (bm) "Debt service" includes debt service on debt issued or reissued to fund or  
15          refund outstanding county obligations, interest on outstanding county obligations,  
16          and related issuance costs and redemption premiums.

17          (c) "Inflation factor" means a percentage equal to the average annual  
18          percentage change in the U.S. consumer price index for all urban consumers, U.S.  
19          city average, as determined by the U.S. department of labor, for the 12 months  
20          ending on June 30 of the year before the statement under s. 79.015.

21          (d) "Maximum allowable levy" means the county tax levy for the year before the  
22          statement under s. 79.015, as adjusted under sub. (5), multiplied by the sum of one

1 plus 85 percent of the inflation factor and 85 percent of the valuation factor, rounded  
2 to the nearest 0.01 percent.

3 (e) “Valuation factor” means a percentage equal to 60 percent of the percentage  
4 change in the county’s equalized value under s. 70.57 due to new construction less  
5 improvements removed between the year before the statement under s. 79.015 and  
6 the previous year, but not less than zero nor greater than 2.

7 (2) ELIGIBILITY. A county is eligible to receive a payment under sub. (4) if the  
8 county’s county tax levy for the year of the statement under s. 79.015 is no greater  
9 than the county’s maximum allowable levy.

10 (3) CONSUMER PRICE INDEX. Annually, on August 1, the department of revenue  
11 shall certify to the joint committee on finance the appropriate percentage change in  
12 the consumer price index that is to be used to determine the inflation factor.

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14 (2) shall receive a payment calculated by the department of revenue as follows:

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16 2. Divide the amount determined under subd. 1. by the total of the amounts  
17 under subd. 1. for all counties that are eligible for a payment under sub. (2).

18 3. Multiply the amount determined under subd. 2. by \$25,000,000.

19 (b) Beginning in 2007, each county that is eligible under sub. (2) shall receive  
20 an additional payment calculated by the department of revenue as follows:

21 1. Subtract the county tax levy, as determined under par. (a) 1., from the  
22 county’s maximum allowable levy.

23 2. Divide the amount determined under subd. 1. by the total of the amounts  
24 under subd. 1. for all counties that are eligible for a payment under sub. (2).

25 3. Multiply the amount determined under subd. 2. by \$10,000,000.

(5) ADJUSTMENTS. For purposes of determining eligibility for and the amount of the payments under this section:

(a) If a county transfers to another governmental unit responsibility for providing any service that the county provided in the preceding year, its county tax levy for the preceding year shall be decreased to reflect the amount that the county levied to provide that service, as determined by the department of revenue.

(b) If a county increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit in any year, its county tax levy for the preceding year shall be increased to reflect the cost of that service, as determined by the department of revenue.

(c) If in any year a county's distribution under s. 79.043 (5) is less than the county's distribution under s. 79.043 (5) in the previous year, the county's maximum allowable levy shall be increased to reflect the reduction in the distribution.

(d) The maximum allowable levy otherwise applicable under this section does not apply to amounts levied by a county for the payment of any general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the county, interest on outstanding obligations of the county, or the payment of related issuance costs or redemption premiums, secured by the full faith and credit of the county.

**(END)**